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FISCAL IMPACT STATEMENT

LS 6666

BILL NUMBER: HB 1367

NOTE PREPARED: Dec 29, 2010

BILL AMENDED:

SUBJECT: Metropolitan Planning Organizations.

FIRST AUTHOR: Rep. Soliday

BILL STATUS: As Introduced

FIRST SPONSOR:

FUNDS AFFECTED: X **GENERAL**
DEDICATED
FEDERAL

IMPACT: State & Local

Summary of Legislation: This bill has the following provisions:

Eligibility Requirements for MPO Executive Board: It establishes eligibility requirements for election to the executive transportation board of a Metropolitan Planning Organization (MPO).

MPO Executive Board Duties: It requires a board to: (1) develop and publish a yearly statement of work; (2) develop a participation plan; (3) develop and implement a transportation asset management program; and (4) biennially review and update its written operating agreement.

Transportation Board Review Panel: It establishes the Executive Transportation Board Review Panel, and it requires a board to submit an annual progress report to the Panel for review and recommendation to the Governor.

Noncompliance: It authorizes the Governor, upon a finding of noncompliance by the Panel, to impose certain penalties.

Northwest Indiana Regional Planning Commission: It requires the Northwest Indiana Regional Planning Commission (NIRPC) to amend its bylaws. It also repeals the following provisions concerning NIRPC:

- (1) Appointment of members.
- (2) Qualifications for membership.
- (3) Election of NIRPC officers.
- (4) Meetings.
- (5) Voting.

- (6) Election of executive board.
- (7) Appointment of executive director.
- (8) Petition by county to block program.
- (9) Appointment of advisory committees.

Effective Date: July 1, 2011.

Explanation of State Expenditures: *Transportation Board Review Panel:* The five-member Transportation Board Review Panel would serve without salary, but may be reimbursed for other expenses incurred in connection with the member's duties. The expenses do not include travel expenses and must be within the policies established by the Department of Administration and the State Budget Agency, making any increase in expenses very minimal.

Background: The Panel consists of the following state officials or their designees: (1) INDOT Commissioner, (2) Department of Natural Resources Director, (3) Department of Environmental Management Commission, (4) Attorney General, and the (5) Inspector General.

The Panel will review progress reports submitted by the executive board of the state's Metropolitan Planning Organizations (MPOs), and by May 1 of each year issue a report to the executive board and the Governor concerning compliance with the state statutory provisions concerning MPOs.

Explanation of State Revenues:

Explanation of Local Expenditures: *Northwest Indiana Regional Planning Commission:* The bill could minimally increase reporting costs for the Northwest Indiana Regional Planning Commission. Also, NIRPC will incur one-time costs for review of bylaws and potentially incur costs for governance restructuring.

Additional Information -

Requirements for MPOs: MPOs will have to meet the following state requirements:

Governance Structure: The bill requires an MPO to elect a 14-member executive board from among its members and requires the members to have professional experience in engineering, planning, economic development, public financial management, or transportation project management. The executive board will be the decision-making body of the MPO, and all other members will be the policy board.

Reporting: MPOs will be required to publish by July 1 of each year, beginning in 2012, a statement of work including major work areas and categories, a comprehensive budget, planning projects, and information from the preceding state fiscal year.

Agreements: Annually, the executive board, in coordination with INDOT and affected transit operators, will review and update written agreements concerning carrying out the metropolitan transportation planning process.

Transportation Asset Management Program: The program will define performance measures for assets, be a repository for asset data, and promote standard data collection and technology applications.

Existing MPOs: The 14 MPOs in Indiana are designated by agreement between the Governor and units of general purpose government that represent 75% of each urban area with a population of more than 50,000. Federal law indicates the members of the MPO consist of locally elected officials, officials of public agencies that administer or operate major modes of transportation in the area, and the appropriate state officials. The following list indicates the MPO, its major city, and the area covered in square miles.

Metropolitan Planning Organization	Major City	Area
Area Plan Commission of Tippecanoe County	Lafayette	502
Bloomington/Monroe County Metropolitan Planning Organization	Bloomington	79
Cincinnati-Northern Kentucky	Cincinnati	2,619
Columbus Area MPO	Columbus	468
Delaware-Muncie Metropolitan Plan Commission	Muncie	212
Evansville	Evansville	1,094
Indianapolis	Indianapolis	1,337
Kokomo & Howard County Governmental Coordinating Council	Kokomo	110
Louisville Area	Louisville	1,419
Madison County	Anderson	507
Michiana Area	South Bend	927
Northeastern Indiana Regional Coordinating Council	Ft. Wayne	370
Northwestern Indiana Regional Planning Commission	Portage	1,523
West Central Indiana Economic Development District	Terre Haute	410

NIRPC: NIRPC institutes and maintains a comprehensive plan and program for transportation, economic development, and environment in Lake, LaPorte, and Porter County. NIRPC is also designated the MPO for this metropolitan area. Action is authorized by a majority vote or by a weighted affirmative vote of more than 50% under certain circumstances.

The officials of counties, cities and towns, and townships appoint the members, and all members must be elected officials. The officials serve without salary, but may be reimbursed for expenses. The members elect a seven-member executive board, and by recommendation of the executive board, NIRPC appoints an executive director. According to audited financial statements of NIRPC for 2009, there were 53 members of NIRPC.

Each participating county pays a pro rata per capita share of the annual appropriations budget that may not exceed \$0.70 per capita. A county may pay its share by levying a property tax or from any other local revenue, including local option income tax, excise tax, riverboat admissions, wagering, or incentive tax, or any funds received from the state for this purpose.

Explanation of Local Revenues: *Noncompliance:* The Governor would be able to withhold up to 100% of the funds available to an MPO or, for state funds, a county or unit that is a member of the MPO, for noncompliance with the provisions of state statute concerning MPOs. These funds include funds in the custody of INDOT or other state agency or state funds available to MPOs.

State Agencies Affected: Governor.

Local Agencies Affected: NIRPC

Information Sources: State Board of Accounts, *2009 Annual Financial Report, Northwestern Indiana Regional Planning Commission*; Federal Highway Administration, Metropolitan Planning Organization Database.

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